

Labour in Crisis? – Continued

REPORT OF THE 1984 SCS CONFERENCE

by

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This year's conference, held at Stanford Hall on 15/16 September, was concerned with the apparently common decline in the fortunes of the three "wings" of the Labour movement: retail Co-ops, trade unions and Labour Party. Three speakers dealt with these sectors in turn and a final session attempted to pull the threads together.

1. The Consumer Co-operative Movement

This topic was dealt with by Professor T.F. Carbery of Strathclyde University who characterised his contribution as "dismal but realistic". He dealt with five areas that gave cause for grave concern:

- (i) the decline in trade, share of trade and number of shops;
- (ii) changing shopping patterns, including the bad skew on the age composition of Co-op shoppers;
- (iii) organisational decline with Societies queuing up to join CRS or the Retail Operations Group faster than they can be assimilated;
- (iv) the continuing revolution in retailing of which only the first wave may have been experienced;
- (v) the decline in democratic control which is bad enough in large retail societies but is worse still in the CWS.

Some Hope?

There was, he acknowledged, a more hopeful view expressed in such documents as the Regional Plans and "We Can Work It Out" produced for the Isle of Man Congress. There was a belief that the corner could be turned on the basis of several factors, such as:

- (i) the upsurge in consumerism and the forging of quasi-formal links between Co-ops and other consumer organisations;
- (ii) the share of ownership that retail Co-ops could provide;
- (iii) the use of Co-ops as a natural counter to monopoly power (although now only in retailing); and
- (iv) the validity of the Co-operative principles.

This latter approach, however, was fraught with difficulties, typified by the attempts to draw up a Co-operative Consumers' Charter.

Future Possibilities?

Following on from these more and less hopeful views of Co-operative fortunes, Professor Carbery suggested four possible scenarios for the Co-operative Movement:

- (i) a decline in trade to about 4 per cent of the available market and there reaching a plateau;
- (ii) as above but a market share of 2.5 per cent;
- (iii) complete disappearance;
- (iv) a climb out of the decline by a blending of trading projects and the marketing of principles.

His own evaluation of these possibilities was that there was a sixty per cent probability of the first but he had a difficulty in explaining why the present Co-operative Movement should survive in that context.

2. The Trade Unions

Professor John Gennard of Strathclyde University suggested that trade Unions were in a state of flux and having to re-assess their role and function within a more hostile environment. This hostility had a number of elements:

- (i) the low standing of the unions in the eyes of the public and even in the eyes of their own members;
- (ii) the decline of the Labour Party and hence of parliamentary support for the unions;
- (iii) a government no longer committed to "full employment" or to working with unions;
- (iv) a changed legal environment (the Employment Acts of 1980 and 82 and the Trade Union Act 1984) which has introduced measures going right to the heart of union activities (closed shop, industrial action, picketing) and has removed some of the Unions' legal immunities;
- (v) new technologies applied to lessen the need for workers and to weaken their bargaining power (noting the weakness of unions in the high technology and service industries).

Some Hope?

Nevertheless, Professor Gennard saw some light at the end of the tunnel for the following reasons:

- (i) although the membership of unions had fallen, this was generally in line with the decline in employment and unions had near enough maintained their share of the market;
- (ii) there was little evidence of a general push among employers to de-unionise their staff or to dismantle collective bargaining;
- (iii) there were signs of recovery in the Labour Party;
- (iv) there had been some imaginative union responses to new technology, which has met little resistance providing benefits are shared, with some changes in work patterns (shorter hours, use of sabbaticals, etc).

Generally, there was a need for the unions to win back the confidence of their own members where there was a balance to be struck between collective bargaining and services to individual members. Secondly, they needed to penetrate new markets. It was noteworthy, for example, that over half the membership of TUC affiliated unions was employed in the public sector.

3. The Labour Party

The Labour Party had at the 1983 General Election suffered its worst result since 1918, reported Paul Whiteley of Bristol University, attracting just over 28 per cent of the votes cast or about 21 per cent of the electorate. Although this result was uniquely bad it could be seen as the culmination of a trend.

Whether this result and the trend would inevitably lead to another defeat at the next election was less certain, however. The example of the French Socialists who moved from 25 per cent to 38 per cent of the votes from one election to the next and who became the governing party in consequence demonstrated how rapidly opinion could shift.

Reason for the Decline

What was at the heart of the Labour Party's decline? Paul Whiteley suggested there were three inter-related crises:

- (i) an electoral crisis as evidenced by the figures above;
- (ii) a crisis of membership and activism demonstrated by the very significant decline in individual membership since 1951;
- (iii) an ideological crisis, centring on a debate on the nature of the party, manifested and exemplified in disputes on internal party democracy.

"entryism", the SDP split and policies concerning the economy and defence.

The common origins of these crises were, first, a failure to articulate the Party's goals properly and, secondly, a failure to implement its goals effectively, this latter turning largely on economic problems and the lack of resources. Disillusion with Labour government because of this was evident in 1970 and 1979. While it was easy to romanticise the 1945-51 experience, that government had managed a major step forward. It had done so because it had a coherent social and economic strategy backed by popular enthusiasm and because of the ideological bankruptcy of the Conservatives.

To the Aid of the Party?

What the current Labour Party needed, Paul Whiteley suggested, was:

- (i) a coherent economic strategy, based on slow reflation, trade planning, incomes policy and an interventionist industrial policy;
- (ii) a united party since the opinion poll evidence suggested a fall in electoral support since 1981 as a result of internal disputes;
- (iii) a realistic and modest manifesto;
- (iv) a tone of presentation that was less strident and combative.

The next election could be won, he argued. The loosening of voters' party allegiances over the past forty years had to a degree adversely affected Labour but also meant that votes could be won. Labour still had a strong committed vote at core and providing the credibility gap (between rhetoric and realistic action) could continue to be closed and the Party adopted coherent and consistent policies, the trend could be changed.

Summary

All three speakers provoked considerable question and discussion in their own sessions. The final session, which was a discussion and panel session was also not short of contributions. There was general agreement among the conference organisers, however, that the conference ultimately failed to get to grips with its stated aim of identifying common themes and problems of the "Labour Movement" in general and of identifying common solutions.

At the last session, however, Malcolm Hornsby of the Co-operative College made a brave attempt to do so. He pointed out that the Labour Movement was seen as a "three winged bird" but that this was "aerodynamically unsound". The diagnosis provided by the speakers had been somewhat different but there were four common elements:

- (i) All three sectors shared a need to rebuild their activist base which had more or less declined in all;

- (ii) There were questions in all three about a decline in the quality of leadership;
- (iii) All three needed to re-establish the confidence of the public; and
- (iv) All three needed to examine successful examples in their own sector at home and abroad and to learn the lessons.